



NEW YORK
REGIONAL OFFICE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
100 PEARL STREET, SUITE 20-100
NEW YORK, NY 10004-2616

February 10, 2022

VIA ECF

The Honorable Pamela K. Chen
United States District Court
Eastern District of New York
225 Cadman Plaza East, Chambers N 631
Brooklyn, NY 11201

Re: **SEC v. Richard Xia et al., 21-cv-05350-PKC-CLP**

Dear Judge Chen:

Plaintiff Securities and Exchange Commission writes to advise the Court, in advance of the show-cause hearing on Monday, that the SEC intends to file an Amended Complaint late next week alleging that in 2021, before the Complaint in this action was filed, defendant Richard Xia (“Xia”) improperly diverted approximately \$30 million in funds that were sourced, directly and indirectly, from investors in connection with all-cash purchases of three large residential properties on Long Island.¹

The SEC also intends to allege that relief defendant Julia Yue, Xia’s wife, holds one of the properties in her name and intends to name the two other individuals in whose names the other properties are held as relief defendants. The SEC also intends to file a motion to freeze the three properties up to the amount of the investor funds used to fund their acquisition.

Respectfully submitted,

/s/ David Stoelting
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David Stoelting
Kim Han
Attorneys for
Plaintiff

cc (by ECF): Hervé Gouraige, Esq.

¹The SEC referenced this issue in its reply brief in support of extending the asset freeze filed January 21, 2022, Dkt. 48 at 1, when it noted that investor funds were used to purchase two Long Island mansions. Since then, the SEC learned of a third Long Island residential property purchase sourced directly and indirectly by investor funds.